

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF NORTH CAROLINA  
WILSON DIVISION**

IN RE:

CHAPTER 11

MAINLINE CONTRACTING, INC.

CASE NO. 09-07927-8-RDD

Debtor.

**EMERGENCY MOTION FOR ORDER AUTHORIZING DEBTOR  
TO PAY WAGES ACCRUED PRE-PETITION, FOR ORDER SHORTENING NOTICE TIME,  
AND REQUEST FOR HEARING**

NOW COMES Mainline Contracting, Inc., Debtor-in-Possession (hereinafter "Mainline"), by and through counsel, and respectfully requests authorization to pay pre-petition wages and, in support thereof, shows unto the Court the following:

1. Mainline Contracting, Inc. ("Mainline") is a full-service, vertically integrated construction company with 2008 gross revenues in excess of \$73 Million and nearly 200 employees. Mainline is continuing to perform on all jobs.

2. Mainline has significant accounts receivable, and expects to receive significant funds in the near future. Mainline is continuing to operate, expects to complete all pending jobs, and will continue to seek and accept new jobs.

3. Mainline filed a voluntary petition for relief pursuant to Chapter 11, Title 11 of the United States Code (the "Bankruptcy Code") in the Eastern District of North Carolina on September 15, 2009 to facilitate reorganization and the continuation of business.

4. This motion is filed simultaneously with the petition. Mainline expects the Bankruptcy Court for the Eastern District of North Carolina to issue an order pursuant to 11 U.S.C. §§ 1107 and 1108 of the Bankruptcy Code, authorizing Mainline to retain its assets and operate its business as debtor in possession.

5. This Court has jurisdiction to consider this motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding within the meaning of 28 U.S.C. § 157.

6. Mainline requests authority to honor and pay obligations for work performed pre-petition. This pre-petition work allowed for wage claimants to accrue gross wages which would not be paid in the ordinary course of business until after the filing of the petition. Based upon the normal pay cycles for the payment of wages and salaries, Mainline is duly obligated for pre-petition wages and applicable payroll taxes in the amount of approximately \$124,000.00.

7. To the extent these wages would be considered pre-petition claims, all such wages would be entitled to 11 U.S.C. § 507(a)(4) priority wage claim status. To the extent these employee obligations are executory contracts under 11 U.S.C. § 365, it is in the best interest of the estate for the same to be assumed.

8. Mainline anticipates that to the extent wage claims identified herein are priority wage claims, they would receive payment of 100% even if this case were in a Chapter 7 proceeding and the assets were liquidated for the benefit of creditors. Therefore, creditors will not be prejudiced if Mainline's request for authorization to pay such claims at this time is allowed.

9. A necessity of payment exists in this case in order to prevent immediate and irreparable harm to this reorganization in an amount greatly in excess of the funds Mainline seeks to pay, and such payment is essential to maximize the return on the value of the assets in this case. If Mainline were to fail to make all wage payments requested herein, then in all likelihood the affected employees would quit and not provide further assistance to Mainline. The authorization sought herein will also minimize the personal hardship on the affected employees which would occur if pre-petition wage claims are not paid.

10. The payment as requested herein is in the best interest of creditors, Mainline, Mainline's employees, and is essential to the successful reorganization for the purpose of

maximizing return on the assets of Mainline. The Court has the authority to authorize payment of claims described in the foregoing motion to the extent they are determined to be pre-petition claims under the circumstances set out herein pursuant to the authority granted to the Bankruptcy Court under Title 11 of the United States Code, including 11 U.S.C. §§ 105, 363, 365, 507, 1107 and 1108.

11. Given the nature of the emergency as outlined herein and the facts and circumstances in this case, the relief requested can be granted on an emergency basis with limited or no further notice and does not prejudice the rights of the parties in interest in this matter.

WHEREFORE, Mainline prays for any Order of the Court (i) shortening the notice time; (ii) setting a hearing on the foregoing motion at the United States Bankruptcy Court in Raleigh, North Carolina and allowing notice to be limited to the twenty largest unsecured creditors by overnight delivery and to affected secured creditors by fax or telephone; (iii) authorizing Mainline to pay the pre-petition wage claims asset set forth herein; and (iv) for such other and further relief as the Court deems just and proper.

Respectfully submitted this the 15<sup>th</sup> day of September, 2009.

<b>HENDREN &amp; MALONE, PLLC</b>  <u>/s/ Jason L. Hendren</u> Jason L. Hendren N.C.S.B. No. 26869 4600 Marriott Drive, Suite 150 Raleigh, NC 27612 Telephone No. (919) 573-1422	<b>EVERETT, GASKINS, HANCOCK &amp; STEVENS, LLP</b>  <u>/s/ William P. Janvier</u> William P. Janvier, N.C.S.B. 21136 Rebecca F. Redwine, N.C.S.B. 37012 Post Office Box 911 Raleigh, North Carolina 27602 Telephone: (919) 755-0025 Facsimile: (919) 755-0009
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**CERTIFICATE OF SERVICE**

The undersigned does hereby certify that copies of the foregoing **EMERGENCY MOTION FOR ORDER AUTHORIZING DEBTOR TO PAY WAGES ACCRUED PRE-PETITION, FOR ORDER SHORTENING NOTICE TIME, AND REQUEST FOR HEARING** and **NOTICE** thereof have been served upon each of the parties listed below via U.S. Mail, overnight.

AMERICAN CAST IRON PIPE CO. Attn: Managing Agent PO BOX 2727 BIRMINGHAM, AL 35202	COUCH OIL Attn: Managing Agent PO BOX 2753 DURHAM, NC 27715
APAC ATLANTIC, INC. Attn: Managing Agent PO BOX 21088 GREENSBORO, NC 27420-1088	ECKHART CONSTRUCTION SERVICES Attn: Managing Agent 47 WEST IRVING PARK ROAD ROSELLE, IL 60172
BARNES & POWELL Attn: Managing Agent PO BOX 849 ELM CITY, NC 27880-0849	FCCI Attn: Managing Agent 3175 SATELLITE BLVD., STE 200 DULUTH, GA 30096
BLYTHE BROS. ASPHALT CO. LLC Attn: Managing Agent 1415 E WESTINGHOUSE BLVD CHARLOTTE, NC 28273	FERGUSON ENTERPRISES INC. Attn: Managing Agent PO BOX 100286 ATLANTA, GA 30384-0286
BOGGS PAVING, INC. Attn: Managing Agent P.O. BOX 1609 MONROE, NC 28111-1609	GELDER & ASSOCIATES INC Attn: Managing Agent 3901 GELDER DRIVE RALEIGH, NC 27603-5699
CAROLINA SUNROCK Attn: Managing Agent PO BOX 890390 CHARLOTTE, NC 28289-0390	HD SUPPLY WATERWORKS Attn: Managing Agent PO BOX 100467 ATLANTA, GA 30384-0467
CAT-A-HULA HAULERS, LLC Attn: Managing Agent PO BOX 482 DOBSON, NC 27017	GRANVILLE COUNTY TAX COLLECTOR Attn: Managing Agent PO Box 219 Oxford, NC 27565
CC MANGUM COMPANY, LLC Attn: Managing Agent 6105 CHAPEL HILL RD RALEIGH, NC 27607	MARTIN MARIETTA AGGREGATES Attn: Managing Agent PO BOX 75328 CHARLOTTE, NC 28275
Marjorie Lynch Bankruptcy Administrator 300 Fayetteville Street Mall, Suite 620 Raleigh, NC 27601	MOFFAT PIPE INC. Attn: Managing Agent 2428 POOLE ROAD RALEIGH, NC 27610

<b>RAL GRADING &amp; DEMOLITION</b> Attn: Managing Agent 4406 OLD WAKE FOREST RD, STE 205 RALEIGH, NC 27609	<b>S. T. WOOTEN CORPORATION</b> Attn: Managing Agent P.O. BOX 2408 WILSON, NC 27894-2408
<b>THOMPSON-ARTHUR DIVISION</b> Attn: Managing Agent PO BOX 21088 GREENSBORO, NC 27420	<b>HANOVER INSURANCE CO.</b> Attn: Managing Agent P. O. Box 4031 Woburn, MA 01888-4031
<b>BB&amp;T</b> Attn: Managing Agent P. O. Box 580003 Charlotte, NC 28258-0003	

This the 15<sup>th</sup> day of September, 2009.

BY: /s/ Rebecca F. Redwine  
Rebecca F. Redwine